

**Wai'ola O Molokai
Molokai Public Utilities Inc
Mosco Inc
745 Fort St #600
Honolulu, HI 96813**

August 27, 2008

Chairman Carlito P. Caliboso
Public Utilities Commission
Department of Budget and Finance
465 S. King St #103
Honolulu, HI, 96813

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PUBLIC UTILITIES
COMMISSION

Dear Chair Caliboso,

Re: PUC letter of August 25

I am in receipt of your letter which seeks clarification in relation to Docket No 2008-0115-Temporary Rate Increase.

All correspondence to the Commission from the utilities has been very clear that the utilities lacked the financial resources to carry on past August 31 without tariff increases to cover operational losses.

Now this issue appears to have been temporarily resolved, I confirm the utilities will continue to operate and provide services to their customers past August 31.

How long the temporary rate increases will be sufficient for the utilities to be able to continue to operate depends on future fuel, power and labor cost increases. Should there be any shortfalls in operational funds, I commit to inform you of potential problems.

However, we have also been clear that we will not continue to operate these utilities indefinitely and that the temporary rate increases is a stop-gap measure.

We do not believe that it is appropriate a private company should undertake what is essentially now a civic responsibility following the shutdown of operations on Molokai by Molokai Properties Limited. We therefore continue to hope that some public or private entity can be found to take over these operations as a more permanent solution.

We also attach our tariff schedules for MPU and Wai'ola.

Very Truly Yours;

A handwritten signature in black ink, appearing to read "Peter A. Nicholas". The signature is fluid and cursive, with a large initial "P" and "N".

Peter A. Nicholas
Director

WAIOLA O MOLOKAI

Water Rate Schedule
September 1, 2008 – February 28, 2009

User Charge (per 1000 gallon):		\$5.15
Deposit		\$50.00
Service Charge – Meter Reading		
Meter Size	5/8"	\$5.00
Meter Size	3/4"	\$5.00
Meter Size	1"	\$10.00
Meter Size	1-1/2"	\$10.00
Meter Size	2"	\$25.00
Meter Size	3"	\$50.00
Meter Size	4"	\$75.00
Meter Size	6"	\$150.00
Meter Size	8"	\$250.00
Tap-in-Charge per connection:		
Single Family Unit		\$100.00
Multi Family Unit		\$100.00
Commercial		
Meter Size	5/8"	\$600.00
Meter Size	3/4"	\$900.00
Meter Size	1"	\$2,000.00
Meter Size	1-1/2"	\$4,000.00
Meter Size	2"	\$8,000.00
Meter Size	3"	\$16,000.00
Meter Size	4"	\$40,000.00
Meter Size	6"	\$65,000.00
Meter Size	8"	\$150,000.00

WAIOLA O MOLOKAI, INC.

Water Rate Schedule

September 1, 2008 – February 28, 2009

Agriculture

Meter Size	5/8"	\$500.00
Meter Size	3/4"	\$800.00
Meter Size	1"	\$1,500.00
Meter Size	1-1/2"	\$3,000.00
Meter Size	2"	\$5,000.00
Meter Size	3"	\$10,000.00
Meter Size	4"	\$20,000.00
Meter Size	6"	\$35,000.00
Meter Size	8"	\$70,000.00

Private Fire Protection Charges

Hydrant - \$3.50 per hydrant per month

Standpipes - \$2.50 per standpipe per month

Others - \$2.50 per month per inch diameter of feeder main

Reconnection Charge:	\$50.00
Inspection Charge:	\$30.00
Late Charge:	1% per month
Dishonored Check Fee:	\$10.00
Penalty:	\$500.00

MOLOKAI PUBLIC UTILITIES, INC.

Rate Schedule

September 1, 2008 – February 28, 2009

1. Deposit prior to commencement of services \$50.00
2. **Water consumption charge per month per 1000 gallons \$6.04**
3. Standby charge per month (per installed meter)

5/8" or 3/4"	\$11.25
1"	\$15.00
1-1/2"	\$22.50
2"	\$37.50
3"	\$75.00
4"	\$112.50
6"	\$225.00
8"	\$375.00
4. Private fire protection rates per month:

Per Hydrant	\$5.25
Per Standpipe	\$3.00
Others: Per inches in diameter of feed main	\$3.75
5. Monthly water availability charge to each owner of Lot at which a service connection is possible but Has not been applied for \$3.00
6. Contribution for tap-in (meter size / inches):

5/8" or 3/4"	\$150.00
1"	\$300.00
1-1/2"	\$525.00
2"	\$750.00
3"	\$1,500.00
4"	\$3,000.00
6"	\$4,500.00
8"	\$6,750.00
7. Reconnection Fee \$75.00
8. Inspection fee where user installs the tap-in And meter

Actual cost, but
Not less than
\$37.50
9. Bulk Water Sales \$1.125
Per month per 1000 gallons (Kualapuu Bulk Sale Contract)